

Health Net's 2019
**HSA-Compatible
PPO Plans**

Your health care, your dollars, your decision



Jesus Hao
Health Net

Employee Brochure

HSA-Compatible PPO *Plans* *Put You in Control*



HSA-compatible PPO insurance plans – PPO insurance plan options offer well-child and adult preventive care with no medical deductibles. You get greater freedom to visit the doctor of your choice without a referral.¹ Plus, you get the benefit of in-network savings when seeing a doctor in the Health Net-contracted network. (All other deductibles apply until combined out-of-pocket amounts are met.)

The HSA for Life[®] Health Savings Account

(HSA) from Bank of America² – This easy-to-use program lets you contribute to your account, earn interest and pay for qualified medical expenses, while gaining tax advantages along the way. You can save for current and future medical expenses because the unused funds in your HSA roll over from year to year. The HSA for Life stays with you even if you change jobs or retire.³



¹You may need to precertify certain types of hospital- and other facility-based care to be eligible for coverage. This overview provides benefit information highlights only. Your plan contract, which you will receive after you enroll, contains the exact terms and conditions of your Health Net coverage.

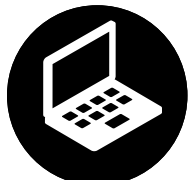
²HSA administration services are provided by Bank of America, N.A. Investments in HSAs are not FDIC insured, may lose value and are not bank guaranteed. The HSA custodian, Bank of America, N.A., is not a registered broker dealer. Promotional materials describing The HSA for Life have been approved and authorized by Bank of America. For further information about HSAs, call Bank of America HSA Customer Care at 1-866-791-0250.

³This is federal tax information. State taxes may apply. Tax information is for general purposes only. For more detailed information about the tax implications of an HSA, please contact a professional tax advisor. Qualified medical expenses also include services such as vision, dental and prescription drugs. A list of qualified medical expenses can be found in IRS Publication 502 – Medical and Dental Expenses, which you can find at www.irs.gov. Simply enter “502” in the Search field.

Need a smart way to save for qualified medical expenses – on a tax-free basis? HSA-compatible PPO plans combine a Health Net Health Plan of Oregon, Inc (Health Net) HSA-eligible insurance plan with a Bank of America HSA.

Health Net's HSA-compatible PPO plans

HSA-compatible PPO	Health Savings Account (HSA)
<ul style="list-style-type: none"> • No referrals for most covered services. • Significant savings when using our robust network of physicians, practitioners, health professionals, and hospitals. • A combined medical and pharmacy deductible. You pay the full cost of your prescriptions and medical care (at our negotiated rates when using an in-network pharmacy) until your yearly deductible is met. • Toll-free health plan customer service at 1-800-522-0088. • Explanation of Benefits statements that explain exactly what you owe. 	<ul style="list-style-type: none"> • You can make tax-deductible contributions up to the IRS maximum, as well as tax-free withdrawals to pay for qualified medical and pharmacy expenses.⁴ • Unused funds roll over year after year while earning interest tax-free.⁴ • You control how your health care dollars are spent. • The HSA belongs to you; you keep it even if you change jobs or retire. • You can save for future medical expenses.



Save time online –
 Plan benefits, ID card ordering and more are available anytime you want them at www.healthnet.com.
 You can also check HSA balances, order additional debit cards and more at www.bankofamerica.com/benefitslogin.

⁴This is federal tax information. State taxes may apply. Tax information is for general purposes only. For more detailed information about the tax implications of an HSA, please contact a professional tax advisor.

The HSA for Life Visa® card

How it works – When you use The HSA for Life Visa® debit card from Bank of America, funds are taken directly out of your HSA. You have no claims to file, and there’s no need to be reimbursed. Just pay for eligible health care products and services by presenting your card or swiping it at the point of service. You can use your card anywhere Visa debit cards are accepted.

Step-by-step enrollment

- 1. Enroll in the Health Net HSA-compatible PPO insurance plan by completing your Health Net enrollment form.** You will also enroll in The HSA for Life from Bank of America (instructions will be provided to you by your employer or by your authorized Health Net agent/producer).
- 2. Decide how much you’d like to contribute to your HSA.** For 2019, the maximum contribution is \$3,500 for individuals and \$7,000 for families.
- 3. Some key questions to consider:** How much is my deductible? What are the HSA annual contribution limits? How often does my family visit the doctor? Refer to *Is an HSA-compatible PPO plan right for me?* as well as the HSA questions and answers section of this brochure for help. HSA contributions may be made in a one time, lump sum amount, or they may be made through pre-tax payroll deductions if offered by your employer.
- 4. To sign up for The HSA for Life from Bank of America:**
 - Visit www.bankofamerica.com/benefitslogin.⁵
 - Go to “New User?” and enter the code provided to you by your employer or authorized Health Net agent/producer. Then click *Get Started* to register.
 - Follow the prompts to complete and submit your application.
 - Once approved, you’ll receive your welcome kit and The HSA for Life Visa debit card, which you can use to pay for qualified expenses with funds from your HSA. You’ll receive your materials about a week before your coverage becomes effective.
- 5. Once Health Net sets up your company in our systems, we will send you a Health Net PPO health insurance ID card and a welcome letter.**

⁵If you do not have online access, please contact your employer.

Is an HSA-compatible PPO plan right for me?

The following examples assume that plan deductibles have not been met. Medical and pharmacy expenses are rough estimates for illustrative purposes only.



Case study #1 – The Lee family of four

The Lee family had a few medical situations the previous year. Even though their medical expenses were around \$1,500 last year, they decided to increase their HSA contribution to \$2,000 for the coming year. With a growing family, the increase gives the Lees peace of mind against unplanned medical expenses. The Lees will also pay their appropriate monthly plan premium and applicable deductible.

Covered service	Cost	Deductible	Health Net pays	You pay (using HSA account)
Four preventive care visits ⁶	\$480	Deductible is waived for preventive care ⁶	\$480	\$0
Three unexpected office visits	\$225	Must first meet deductible	\$0	\$225
Five drug prescriptions	\$150	Must first meet deductible	\$0	\$150
One outpatient surgery	\$500	Must first meet deductible	\$0	\$500
Six physical therapy visits	\$360	Must first meet deductible	\$0	\$360
Total medical expenses				\$1,235
Balance left in HSA account (\$2,000 HSA – \$1,235 expenses)				\$765
Tax savings⁷				\$660 Based on the Lees' 33% tax bracket, their tax savings is \$660 , for an effective contribution cost of only \$1,340.

Case study #2 – Chelsea

During the previous year, Chelsea had routine preventive services and also experienced several mild illnesses. So based on her medical expenses from a year earlier, she chose to contribute a total of \$300 to her HSA for the coming year. In addition, she will also pay her appropriate monthly plan premium.

Covered service	Cost	Deductible	Health Net pays	You pay (using HSA account)
One preventive care visit ⁶ (covered at 100%)	\$120	Deductible is waived for preventive care ⁶	\$120	\$0
Routine OB/GYN visit ⁶ (covered at 100%)	\$122	Deductible is waived for preventive care ⁶	\$122	\$0
Three unexpected office visits	\$192	Must first meet deductible	\$0	\$192
Two drug prescriptions	\$150	Must first meet deductible	\$0	\$150
Total medical expenses				\$342
Balance left in HSA account (\$300 HSA – \$342 expenses)				(\$42)
Tax savings⁷				\$75 Based on Chelsea's 25% tax bracket, her tax savings is \$75 , for an effective contribution cost of only \$225.

⁶Applies to nongrandfathered (NG) plans effective September 23, 2010, or later. \$0 member cost-share applies to preventive care visits and preventive OB/GYN visits with in-network providers only.

⁷Case study and tax savings examples are for illustrative purposes only. For more detailed information about the tax implications of an HSA, please contact a professional tax advisor.

HSA questions and answers

The HSA

What is a Health Savings Account (HSA)?

A Health Savings Account (HSA) is a tax-advantaged savings account (under Code Section 223) that you may establish and put money into on a tax-advantaged basis to save for current and future qualifying medical expenses. The HSA is designed to work together with an HSA-eligible health plan – Use the funds in the HSA to pay for qualified medical expenses such as doctor visits, prescriptions and even some over-the-counter medications. The HSA is often referred to as a “medical 401(k)” because the account is owned by you (it is not a group plan), and it earns tax-free interest,⁸ rolls over from year to year, and stays with you whether you change jobs, health plans or even in retirement.

Who is eligible for an HSA?

You can contribute to an HSA only if enrolled in a qualified high-deductible health plan (HDHP). Also, you must not be enrolled in Medicare, claimed as a dependent on another’s tax return or enrolled in another health plan that is not a qualified HDHP.⁹

What are the advantages of an HSA?

- The HSA belongs to you. You keep it even if you change jobs or retire.
- HSA funds can be invested, and earnings are tax-free.⁸

- Contributions to your HSA are tax-free.⁸
- Withdrawals for qualified medical expenses are tax-free.⁸
- There is no time limit for withdrawing or using funds as long as the funds are withdrawn for medical expenses that were incurred in the same tax year.

What kinds of expenses can be paid with a Health Savings Account?

Only those expenses described as qualified medical expenses in Code Section 223 can be paid with funds from an HSA. Generally, these include, but are not limited to, the following:¹⁰

- standard medical services such as office visits and annual medical physicals;
- insulin, health care products and prescription medicine;
- preventive and restorative dental care, as well as orthodontia for children and adults;
- eyeglasses, contact lenses and solutions, and laser eye surgery;
- copayments, coinsurance and deductibles; and
- acupuncture and chiropractic services.

A comprehensive list of qualified medical expenses as defined by the IRS can be found at www.irs.gov/pub/irs-pdf/p502.pdf. (Please note that some of the expenses listed in publication 502 cannot be reimbursed from an HSA. You should check with a qualified tax or legal advisor for more information.)



Benefit from a Health Savings Account (HSA) by saving money into a tax-advantaged account for current and future qualifying medical expenses.

⁸This is federal tax information only. State taxes may apply. Tax information is for general purposes only. For more detailed information about the tax implications of an HSA, please contact a professional tax advisor.

⁹Exceptions include EAP plans, disease management programs, wellness programs, and “limited purpose” HRAs and FSAs, as well as AD&D, disability, vision, dental, long-term care, workers’ compensation, or limited coverages, such as those for a specific disease or illness that pay fixed amounts per day of hospitalization.

¹⁰Qualified medical expenses generally do not include premiums paid for health coverage except for COBRA insurance, qualified long-term care insurance, health insurance for individuals receiving unemployment compensation, Medicare, and retiree health insurance. Medicare Supplement premiums are not qualified medical expenses.

Note: If a withdrawal is made from an HSA to pay for items other than qualified medical expenses, the IRS may impose a 20% excise tax. Certain exclusions apply. You should consult with your personal tax advisor.

How much can be contributed to an HSA?

For 2019, the maximum annual contribution for single coverage is \$3,500 and \$7,000 if you have family coverage.

If you are or will be age 55 or older before the end of 2019, you may also contribute an additional \$1,000. Each year, contribution amounts may be subject to annual cost-of-living adjustments.

The HSA-compatible health plan

What is an HSA-compatible health plan?

This is a plan that meets federal requirements for qualifying an individual to establish a tax-advantaged HSA. Among other things, for 2019 the plan must have a combined medical and pharmacy deductible of at least \$1,350 (self-only) and \$2,700 (family).

What are the advantages of Health Net HSA-compatible PPO plans?

- You have the freedom to visit any licensed health care provider and be eligible for plan coverage – no referrals required.¹¹
- You get significant savings when using our robust network of physicians, practitioners, health professionals, and hospitals.
- Preventive care is covered right away and is not subject to the yearly plan deductible.

How does the combined medical and pharmacy deductible work?

Unlike most plans, the deductible in an HSA-compatible PPO plan applies to the pharmacy benefit, as well as the medical benefit.

- **Self-only coverage:** You pay the full cost (at Health Net's negotiated rates) for all prescriptions and covered medical expenses until your deductible is met.
- **Family plan coverage:** If you enroll two or more people on your insurance plan, then you are all subject to a family deductible. This means that all enrollees pay the full cost of the prescriptions and covered medical expenses until the combined family deductible is met.

¹¹Out-of-network services result in lower benefits. You may need to precertify certain types of hospital- and other facility-based care to be eligible for coverage. This overview provides benefit information highlights only. Your plan contract, which you will receive after you enroll, contains the exact terms and conditions of your Health Net coverage.

Extras that count

Every HSA-compatible PPO plan comes complete with valuable extras, including:

- **Decision Power®** – An integrated program created to engage you in your health. With personalized tools and achievable goals, you can feel confident in your ability to make positive and lasting behavioral changes. Decision Power helps you build healthy habits and make informed decisions, at no extra charge:
 - Get help with a specific health goal.
 - Track diet, exercise or cholesterol.
 - Try online health promotion programs.
 - Learn about health risks.
 - Explore treatment options.
 - Adapt to living with illness.
- **Health Improvement Programs** – Providing interactive ways to address and improve health risk factors.
- **Decision Power Healthy Discounts** – Value-added discounts on lifestyle improvements, services, products, and more to support your health goals.
- **www.healthnet.com** – Our dynamic website gives you just what you're looking for, with simple navigation and easy-to-find information, for an interactive and satisfying health plan experience.



Nondiscrimination Notice

Health Net Health Plan of Oregon, Inc. (Health Net) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Health Net does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

Health Net:

- Provides free aids and services to people with disabilities to communicate effectively with us, such as qualified sign language interpreters and written information in other formats (large print, accessible electronic formats, other formats).
- Provides free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages.

If you need these services, contact Health Net's Customer Contact Center at 1-888-802-7001 (TTY: 711).

If you believe that Health Net has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by calling the number above and telling them you need help filing a grievance; Health Net's Customer Contact Center is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW, Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019 (TDD: 1-800-537-7697).

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

English

No Cost Language Services. You can get an interpreter. You can get documents read to you and some sent to you in your language. For help, call us at the number listed on your ID card. Employer group members please call 1-888-802-7001 (TTY: 711).

Amharic

ክፍያ የሌለው የቋንቋ አገልግሎት። አስተርጓሚ ማግኘት ይቻላል። ሰነዶች እንዲዘጋጅልዎ ማድረግ ይቻላል። እርዳታ ለማግኘት በመታወቂያ ላይ ያለውን ቁጥር ይደውሉ። አመልካቾች 1-888-802-7001 (TTY: 711) ይደውሉ።

Arabic

خدمات اللغة مجانية. يمكنك الحصول على مترجم فوري. ويمكنك الحصول على وثائق مقروءة لك. للحصول على المساعدة، اتصل بنا على الرقم الموجود على بطاقة الهوية. يرجى من أعضاء مجموعة أصحاب العمل الاتصال على الرقم (TTY: 711)1-888-802-7001.

Chinese

免費語言服務。您可使用口譯員。您可請人將文件內容唸給您聽。如需協助，請致電您會員卡上所列的電話號碼與我們聯絡。雇主團體的會員請致電 1-888-802-7001 (TTY : 711)。

Cushite (Oromo)

Waa Lacag la'aan Adeegyada Luuqada. Waxaad heli kartaa turjubaan. Waxaad heli kartaa in waraaqaha lagu aqriyo. Wixii caawin ah, naga soo wac lambarka ku qoran kaarka Aqoonsigaaga. Xubnaha kooxda badrooniga fadlan soo wac 1-888-802-7001 (TTY: 711).

German

Kostenloser Sprachendienst. Dolmetscher sind verfügbar. Dokumente können Ihnen vorgelesen werden. Wenn Sie Hilfe benötigen, rufen Sie uns unter der Nummer auf Ihrer ID-Karte an. Arbeitgeber-Gruppenmitglieder rufen bitte unter 1-888-802-7001 (TTY: 711) an.

Japanese

無料の言語サービス。通訳をご利用いただけます。文書をお読みします。援助が必要な場合は、IDカードに記載されている番号までお電話ください。雇用主を通じた団体保険のメンバーの方は、1-888-802-7001 (TTY: 711) までお電話ください。

Korean

무료 언어 서비스. 통역 서비스를 받을 수 있습니다. 문서 낭독 서비스도 받으실 수 있습니다. 도움을 원하시면, 보험 ID에 수록된 번호로 전화해 주십시오. 고용주 그룹 가입자분은 1-888-802-7001 (TTY: 711) 번으로 전화해 주십시오.

Cambodian (Khmer)

សេវាភាសាដោយឥតគិតថ្លៃ។ អ្នកអាចទទួលបានអ្នកបកប្រែផ្ទាល់មាត់។ អ្នកអាចស្តាប់គេអានឯកសារឱ្យអ្នក។ សម្រាប់ជំនួយ សូមទាក់ទងយើងខ្ញុំតាមរយៈលេខទូរស័ព្ទដែលមាននៅលើកាតសម្គាល់ខ្លួនរបស់អ្នក។ សមាជិកក្រុមនិយោជក សូមទាក់ទងទៅលេខ 1-888-802-7001 (TTY: 711)។

Laotian

ລິການພາສາບໍ່ເສຍຄ່າ. ທ່ານສາມາດຂໍຜູ້ແປພາສາໄດ້. ທ່ານສາມາດຂໍໃຫ້ອ່ານເອກະສານໃຫ້ທ່ານໄດ້. ເພື່ອຂໍຄວາມຊ່ວຍເຫຼືອ, ກະລຸນາໂທຫາພວກເຮົາໄດ້ຕາມເບີທີ່ມີຢູ່ໃນບັດປະຈຳຕົວຂອງທ່ານ. ສະມາຊິກກຸ່ມນາຍຈ້າງ ກະລຸນາໂທຫາເບີ 1-888-802-7001 (TTY: 711).

Punjabi

ਬਿਨਾਂ ਲਾਗਤ ਵਾਲੀਆਂ ਭਾਸ਼ਾ ਸੇਵਾਵਾਂ। ਤੁਸੀਂ ਇੱਕ ਦੁਭਾਸ਼ੀਆਂ ਪ੍ਰਾਪਤ ਕਰ ਸਕਦੇ ਹੋ। ਤੁਹਾਡੇ ਲਈ ਦਸਤਾਵੇਜ਼ਾਂ ਪੜ੍ਹੇ ਜਾ ਸਕਦੇ ਹਨ। ਮਦਦ ਲਈ, ਤੁਹਾਡੇ ਆਈਡੀ (ID) ਕਾਰਡ 'ਤੇ ਦਿੱਤੇ ਨੰਬਰ ਤੇ ਸਾਨੂੰ ਫ਼ੋਨ ਕਰੋ। ਰੋਜ਼ਗਾਰਦਾਤਾ ਗਰੁੱਪ ਦੇ ਸਦੱਸ, ਕਿਰਪਾ ਕਰਕੇ 1-888-802-7001 (TTY: 711) 'ਤੇ ਫ਼ੋਨ ਕਰੋ।

Russian

Бесплатная помощь переводчиков. Вы можете получить помощь устного переводчика. Вам могут прочитать документы. За помощью обращайтесь к нам по телефону, приведенному на вашей идентификационной карточке участника плана. Если вы участник коллективного плана, предоставляемого работодателем, звоните по телефону 1-888-802-7001 (TTY: 711).

Spanish

Servicios de idiomas sin costo. Puede solicitar un intérprete. Puede obtener el servicio de lectura de documentos y recibir algunos en su idioma. Para obtener ayuda, llámenos al número que aparece en su tarjeta de identificación. Los afiliados del grupo del empleador deben llamar al 1-888-802-7001 (TTY: 711).

Tagalog

Walang Gastos na Mga Serbisyo sa Wika. Maaari kayong kumuha ng isang interpreter. Maaari ninyong ipabasa ang mga dokumento. Para sa tulong, tawagan kami sa numerong nakalista sa inyong ID card. Para sa mga miyembro ng grupo ng employer, mangyaring tumawag sa 1-888-802-7001 (TTY: 711).

Ukrainian

Безплатні послуги перекладу. Ви можете скористуватися послугами перекладача. Вам можуть прочитати ваші документи. Щоб отримати допомогу, телефонуйте нам за номером, який вказаний на вашій ідентифікаційній картці (ID). Учасників групового страхового плану від працедавця просимо телефонувати за номером 1-888-802-7001 (TTY: 711).

Vietnamese

Các Dịch Vụ Ngôn Ngữ Miễn Phí. Quý vị có thể có một phiên dịch viên. Quý vị có thể yêu cầu được đọc cho nghe tài liệu. Để nhận trợ giúp, hãy gọi cho chúng tôi theo số được liệt kê trên thẻ ID của quý vị. Các thành viên thuộc chương trình theo nhóm của chủ sử dụng lao động vui lòng gọi số 1-888-802-7001 (TTY: 711).

Flexibility *and Choice Meet* Tax-Saving *Opportunities*

That's Health Net's HSA-compatible PPO plan – simply making health care work for you.

Questions?

For questions about your health insurance plan, call Health Net Member Services at:

1-888-802-7001

For questions about The HSA for Life from Bank of America, call 1-866-791-0250, Monday through Friday, 8:00 a.m. to 11:00 p.m. Eastern time, or check out the online HSA Tools and Resources by visiting www.bankofamerica.com/benefitslogin.

www.healthnet.com

You have access to Decision Power through current enrollment with Health Net Health Plan of Oregon, Inc. (Health Net). Decision Power is not part of Health Net's commercial medical benefit plans. It is not affiliated with Health Net's provider network, and it may be revised or withdrawn without notice. Decision Power services, including clinicians, are additional resources that Health Net makes available to enrollees.

Health insurance benefits are underwritten by Health Net Health Plan of Oregon, Inc. Health Net Health Plan of Oregon, Inc. is not affiliated with Bank of America, N.A., the Health Savings Account custodian. Health Net Health Plan of Oregon, Inc. is a subsidiary of Health Net, Inc. Health Net is a registered service mark of Health Net, Inc. All other identified trademarks/service marks remain the property of their respective companies. All rights reserved.